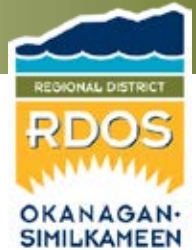


# ADMINISTRATIVE REPORT



**TO:** Board of Directors  
**FROM:** B. Newell, Chief Administrative Officer  
**DATE:** October 15, 2020  
**RE:** Petition to Enter Water Service Area – Electoral Area “E”

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## Administrative Recommendation:

**THAT** Bylaw No. 2896, 2020, a bylaw of the Regional District of Okanagan Similkameen to amend the Naramata Water System Local Service Establishment Bylaw be read a first and second time; but that the Bylaw not be brought for third reading until the following conditions have been fulfilled.

1. That a detailed letter, with expectations and requirements of the Regional District to be fulfilled at the expense of the owner with respect to infrastructure upgrades to provide water service to the Lands be delivered to Naramata Benchland Properties Ltd.; and, that the letter contain a provision whereby the developer acknowledges receipt of the letter and agrees with the contents therein; and
  2. That to ensure any future owner has notice of the infrastructure requirements of the Regional District, and the costs to provide water service to the Lands and to mitigate potential liability with respect to any obligation of the Regional District to provide water service, that a “no-build/subdivision” covenant be registered against the Lands pursuant to Section 219 of the Land Title Act prior to inclusion of the Lands into the Naramata Water System Service Area. The Section 219 Covenant should also refer to the requirements of a development agreement being entered into prior to rezoning, subdivision or construction, if any.
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Purpose: To extend Water System service to three (3) parcels in Naramata

Owners: Naramata Benchland Properties Ltd. Agent: Brad Elenko (McElhanney)

Legal: Lots 4-5, Plan EPP60812, District Lot 2711, SDYD; and Lot A, Plan KAP59640, District Lot 3474, SDYD

Civic: 3440, 3580 & 3690 Arawana Forestry Road Folio: E-07171.100/.500/.600

OCP: Large Holdings (LH) Zone: Resource Area Site Specific (RAs)

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## Purpose:

The applicant has submitted a petition to the Regional District seeking to include the subject properties within the Naramata Water Service, which provides for the supply, treatment, conveyance, storage and distribution of water within the community.

In support of this request, the applicant has stated, amongst other things, that:

- including these properties in the water service area will allow any future campground use to obtain water from a new upper-elevation water reservoir to be located on these same lands and that this water could also be used for wildfire suppression;
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- that this new water reservoir is needed to service some of the lots being subdivided on the lower lands; and
  - there would be no reason for Naramata Benchlands to construct an upper elevation water reservoir if these lands were not included in the water service area as they see this as potentially limiting their access to the reservoir and ability to service any future campground.

**Site Context:**

The Naramata Benchland Properties Limited holdings that are the subject of this service area request comprises three separate parcels that represent a land area of 111.54 ha (Lot 4 at 47.1 ha, Lot 5 at 44.2 ha and Lot A at 20.24 ha).

These lands are seen to be relatively undeveloped with access to the two easternmost parcels via a forestry service road. The surrounding pattern of development to the east is largely comprised of undeveloped Crown land and residential development to the west.

**Background:**

Historically, the subject parcels were part of the Blackwell Stores Limited development and, in 2006, a 295 parcel subdivision to be completed over eleven (11) phases was proposed. This involved the subject parcels as well as additional lands to the east. This development was opposed by the community and subsequently withdrawn by the proponent.

Under the Regional Growth Strategy (RGS) Bylaw No. 2770, 2017, the subject properties are not within a currently designated growth area. The RGS Bylaw speaks to supporting “efficient, effective and affordable infrastructure services ...” and, as an objective, to “direct development to areas with publicly operated services and infrastructure.” The RGS is currently under review.

Under the Electoral Area “E” Official Community Plan (OCP) Bylaw No. 2458, 2008, the parcels are currently designated Large Holdings (LH), and are the subject of an Environmentally Sensitive Development Permit (ESDP) and Watercourse Development Permit (WDP) Area designations.

Under the Electoral Area “E” Zoning Bylaw No. 2459, 2008, the parcels are currently zoned Resource Area (RA), which stipulates a minimum size for subdivision of 20.0 ha and permits extensive land uses such as forestry, natural resource extraction and agriculture, but does also include campgrounds.

At its meeting of March 19, 2020, the subject parcels were included in the Naramata Fire Prevention and Suppression Local Service Area.

This petition request was originally scheduled to be considered by the Board at its meeting of August 6, 2020, but was removed from the Agenda at the request of the applicant.

**Analysis:**

The applicant is proposing to extend the water service area to parcels that are not contemplated for future residential development under the Electoral Area “E” OCP Bylaw. While the establishment bylaw does not prescribe any limits on where within the community the water service can be provided, it has historically not included parcels zoned Resource Area (RA).

The parcels reflected in this application are remote and large and not yet ready for development.

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20.0 ha parcels are large enough to sustain groundwater wells for single family domestic and other uses and do not require a connection to a community water system. Should a higher density development be envisioned in the future, a plan of subdivision would be filed, rezoning would need to occur and public consultation would be required. While extending the water service prior to the establishment of a growth boundary for Naramata under the OCP Bylaw is seen to be premature, the rationale for extending the water service now has been defended by the developer.

The existing Naramata Water System infrastructure is physically incapable of serving a majority of the lands petitioning to join the service area. To upgrade this existing infrastructure would require a significant capital investment that would have to be borne by the Developer. Upgrades would include a new reservoir, booster station and a water delivery system.

While the current owner understands that a significant investment in infrastructure would be required prior to approval, it would be important to ensure that new property owners would not presume that inclusion in the service area implies access to the water system and would not realize the impediments (both financial and physical) that would confront the Regional District in attempting to provide this service.

Extension of a water service to the proposed campground use of the site, at such time it is actually being developed, would be considered in conjunction with the issuance of a Campground Permit.

While the lands have already been included in the fire service area, the applicant is suggesting that inclusion in the water service area will provide the necessary assurance needed to construct the new reservoir, and that this reservoir will be made available for fire suppression activities in the area. Increased wildfire hazard related to the applicant's proposed campground was a concern previously raised by the community at public meetings.

It is unusual that extension of services to a parcel of land zoned Resource Area (RA) precede zoning and this application may be premature. The Board may choose to deny the petition for the full parcel and, if in future, these lands are contemplated for residential development or work on the development of a campground is commenced, there may be merit in revisiting the extension of the water service to a more targeted area at that time.

The Regional District is not obliged to provide a service upon receipt of a petition from a land owner, particularly if the Board has concerns about the request for service.

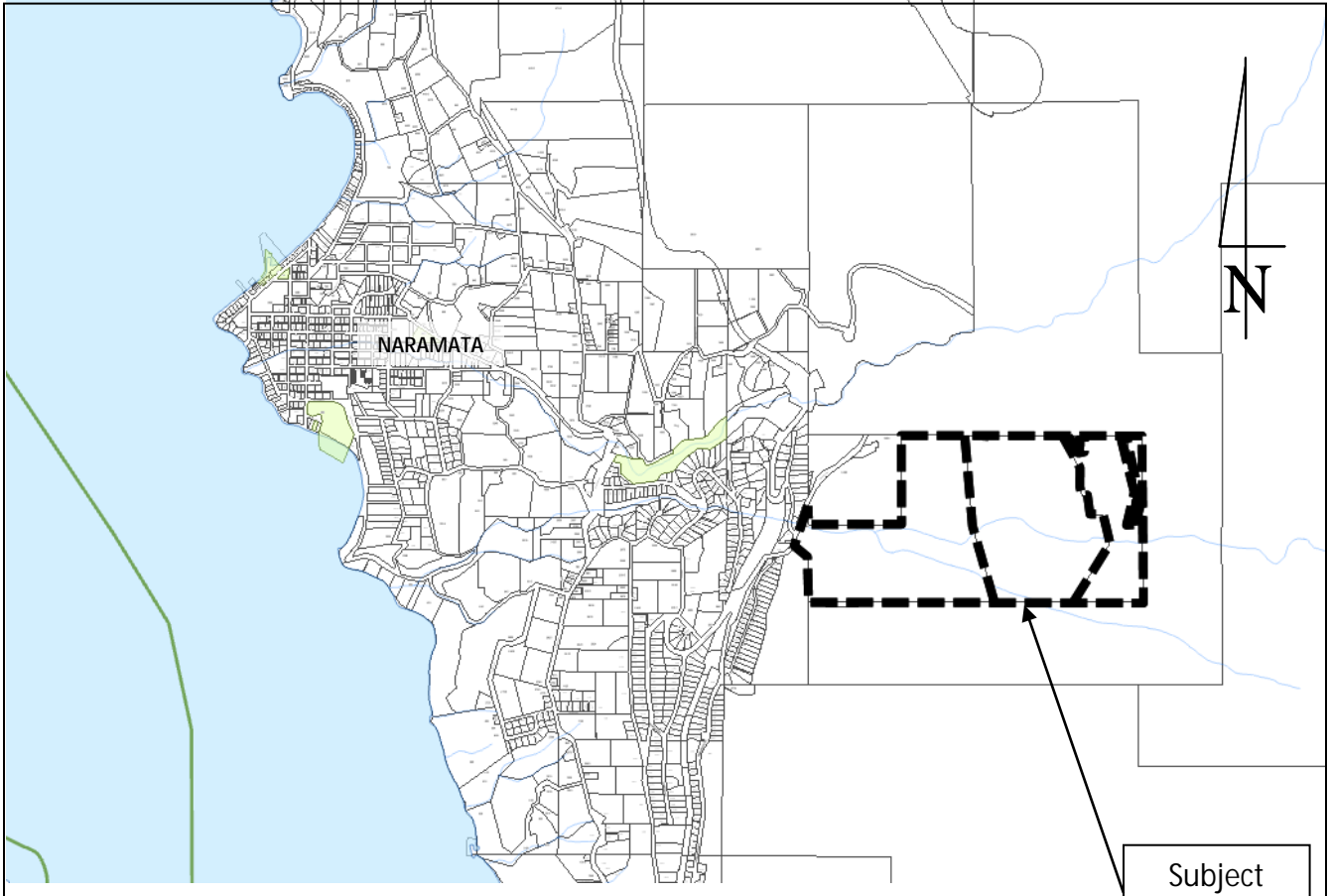
**Alternatives:**

1. THAT this petition into the Naramata Water system be denied.
2. THAT consideration of Bylaw No. 2896, 2020 be deferred

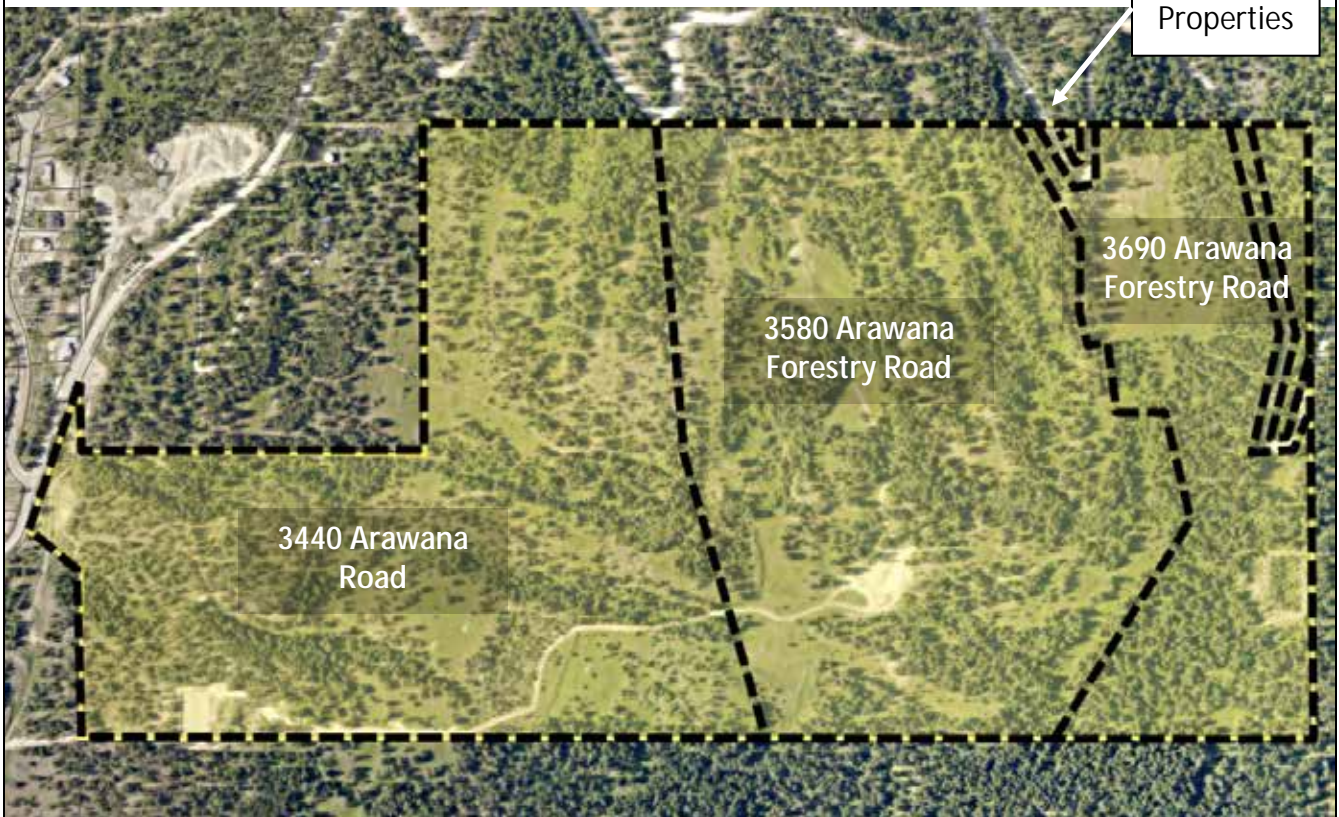
Attachments: No. 1 – Context Maps

No. 2 – Applicant's Service Area Petition Request (Water)

Attachment No. 1 – Context Maps



Subject Properties



3440 Arawana Road

3580 Arawana Forestry Road

3690 Arawana Forestry Road

Attachment No. 2 – Applicant’s Service Area Petition Request (Water)

